Prince Edward Island
CANADA

Provincial Treasury

ANNUAL REPORT

Fiscal Year
1998 - 1999

Prince Edward Island
Department of the Provincial Treasury

Annual Report

1998-1999

For the fiscal year
April 1, 1998 to March 31, 1999

Mandate of the
Department of the Provincial Treasury

The mandate of the ministry is to ensure
that the human and financial resources needed by Government are available,
are allocated in keeping with Government priorities,
and are used in an efficient, effective and accountable way.

100-05209/

Message of the Minister

To the Honourable Gilbert Clements
Lieutenant Governor of Prince Edward Island

May it Please Your Honour:

It is my privilege to present the Annual Report of the Department of the Provincial Treasury for the fiscal year ended March 31, 1999.

Respectfully submitted,

Patricia J. Mella
Provincial Treasurer
Department of the Provincial Treasury

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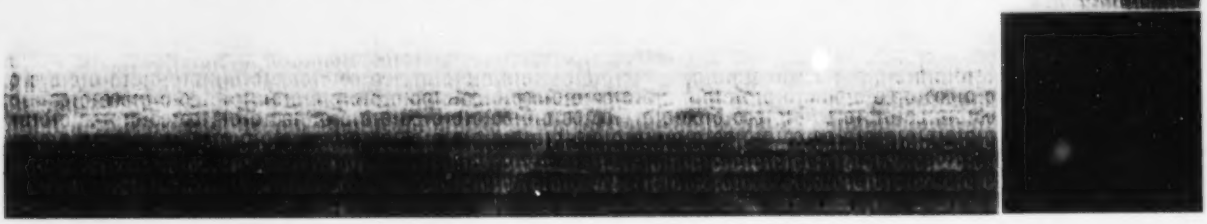


Operating Principles Adopted by the Staff of the Department of the Provincial Treasury

Statement of Values

A Team Approach
We work together, sharing information to achieve departmental goals.

Service Quality
We provide our clients with the highest quality of service by seeking their input and advice and designing our services to best meet their needs.

Human Resource Development
We seek training and development opportunities which provide us with the appropriate skills to serve our clients.

Honesty, Integrity and Accountability
We perform our responsibilities in a competent and professional manner with the highest standard of ethical behaviour.

Mission Statement

The Department of the Provincial Treasury facilitates the effective and efficient managment of Government's human and financial resources by:

- fostering a progressive approach to the management and development of human resources;
- overseeing the financial affairs of the Provincial Government;
- providing internal support services to public sector organizations;
- leading and facilitating a Government-wide emphasis on program effectiveness and accountability; and
- supporting economic development.

Management Philosophy

We believe in a management approach where we:

- challenge, encourage, empower, support, respect, train and develop employees;
- practice clear and open communication;
- consult and involve employees;
- place strong emphasis on client service;
- encourage a team approach;
- use resources wisely;
- recognize, support and conduct our affairs within the Government's agenda; and
- focus on the future.

Legislative Responsibilities Assigned to the Provincial Treasurer

Act	Division Responsible
Appropriation Act	Fiscal Management
Civil Service Act	PEI Public Service Commission
Civil Service Superannuation Act	PEI Public Service Commission
Deposit Receipt Act	Office of the Comptroller
Environment Tax Act	Taxation and Property Records
Financial Administration Act	Policy and Evaluation/Office of the Comptroller
Financial Corporation Capital Tax Act	Taxation and Property Records
Gasoline Tax Act	Taxation and Property Records
Health Tax Act	Taxation and Property Records
Income Tax Act	Economic Statistic and Federal Provincial Relations
Liquor Control Act	Deputy Minister's Office
Loan Act(s)	Fiscal Management
Lotteries Commission Act	Deputy Minister's Office
Northumberland Strait Crossing Act	Taxation and Property Records
Public Accounting and Auditing Act	Office of the Comptroller
Public Purchasing Act	Office of the Comptroller
Queen's Printer Act	Communications
Real Property Assessment Act	Taxation and Property Records
Real Property Tax Act	Taxation and Property Records
Registry Act	Taxation and Property Records
Revenue Administration Act	Taxation and Property Records
Revenue Tax Act	Taxation and Property Records
Supplementary Appropriation Act(s)	Fiscal Management

Deputy Minister's Overview

The Honourable Patricia J. Mella
Provincial Treasurer
Province of Prince Edward Island

Honourable Minister:

I am pleased to submit the 1998/99 Annual Report for the Department of the Provincial Treasury. The Annual Report is intended to focus on accountability for results achieved during the year. This approach in reporting on performance during the 1998/99 fiscal year supports one of the department's key goals.

During the fiscal year, two organizational changes were made in the department. As part of these changes, the Division of Economics, Statistics and Federal Fiscal Relations was re-established to provide fiscal, tax, statistical and economic policy advice to government. In addition, the Communications Division was created to provide government with a consolidated and corporate communication service.

A few of the department's accomplishments and activities I wish to highlight are as follows:

a) The Province's Public Accounts are now scheduled for fall release and the presentation of the financial statements will include a Statement of the Province's Capital Assets.

b) Customer service has been improved for clients making property tax payments with the installation of debit card machines at Taxation and Property Records payment locations.

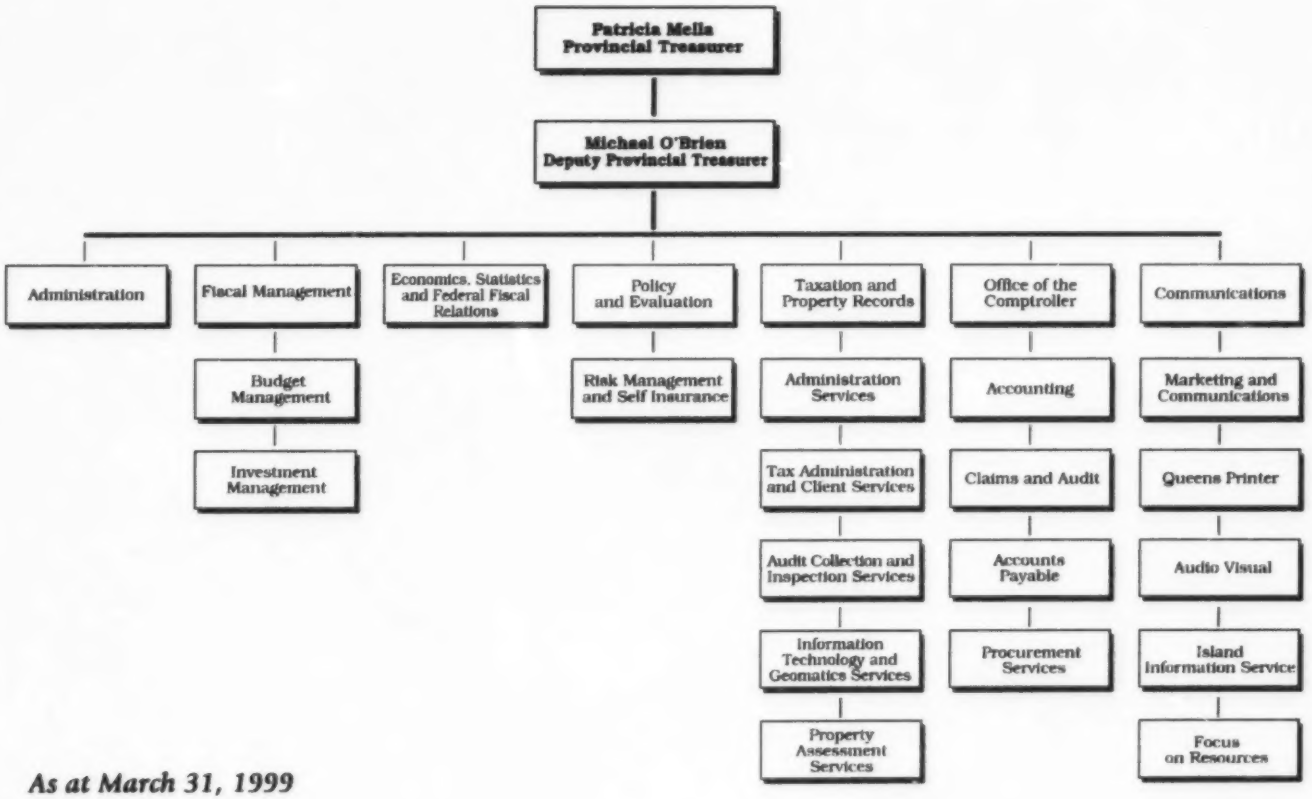
c) The Budget Section of the department provided government departments with the necessary corporate support to upload departmental budget information to the Oracle system through the implementation of the General Ledger Desktop Integrator (GLDI) software.

I would like to take this opportunity to recognize and thank the employees of Provincial Treasury for their effort and dedication over the year and look forward to their continued support. Department staff remain committed to the mandate and goals established and will manage resources in an efficient and effective manner.

Respectfully submitted,

Michael O'Brien
Deputy Provincial Treasurer

Organizational Chart



As at March 31, 1999

Departmental Overview

Role/Mission

The Department of the Provincial Treasury facilitates the effective and efficient management of government's human and financial resources. The mission is accomplished through a Team Approach – working together and sharing information to achieve departmental goals.

Departmental Profile

Administration

The Human Resources Section of the Administration Division provides advice and services in human resource management to the department staff, managers and directors. Support is provided in the areas of personnel services, employee and organizational development and occupational health and safety issues.

Communications

The mandate of the Communications Division is to strengthen government's business messaging by integrating communications into decision-making throughout government.

Economics, Statistics and Federal Fiscal Relations

The Economics, Statistics and Federal Fiscal Relations Division provides advice on fiscal, tax, statistical, economic policy and federal fiscal matters. These include major transfer payments, income tax issues, statistical reports and economic analysis for government.

Fiscal Management

The Fiscal Management Division provides policy advice on government expenditures and fiscal planning; develops the annual fiscal framework and budget estimates of revenues and expenditures; and is responsible for cash debt and management.

Office of the Comptroller

The Office of the Comptroller maintains the provincial government's corporate accounting system and is responsible for directing financial control, accounting, financial policies and provides financial advice. The division also administers corporate procurement services of goods for departments and agencies, and manages the vehicle fleet information system.

Policy and Evaluation

The Policy and Evaluation Division provides policy advice on corporate governance with an emphasis on improving accountability. It also provides administrative policy advice and acts as secretariat to Treasury Board.

Taxation and Property Records

The Taxation and Property Records Division administers the Province's taxation legislation and ensures the legislation is applied fairly and consistently. The division also develops and maintains land-related information systems and collects tax revenue.

Additional Departmental Responsibilities

The Department of the Provincial Treasury is also responsible for administering the budget allocation for the following "appropriation votes":

- Employee Benefits
- General Government
- Council of Maritime Premiers
- Interministerial Women's Secretariat
- Interest Charges on Debt
- PEI Lending Agency

One of the major incentives in achieving the department's overall mission statement is to ***lead and facilitate a government-wide emphasis on program effectiveness and accountability***. A methodology to achieve the mission was implemented and is referred to as Key Result Areas (KRAs) which means identifying, at the beginning of the year, the targets and specific goals planned for the ensuing year or over the longer term. Each division establishes individual KRAs and the Strategic Plan sets out the KRAs for the department as a whole.

The KRAs provide an accountability model by which the department can be measured. In addition, the KRAs give staff a clear understanding of priorities and direction for the department.

This section of the report highlights some of the accomplishments resulting from the 1998/99 Strategic Plan.

Key Result Area No. 1:

Improve fiscal management with a view to enhancing overall government efficiency

Property Assessment Services of Taxation and Property Records are involved in the regional cooperation between property assessment jurisdictions in New Brunswick, Nova Scotia, Newfoundland and Prince Edward Island. Significant progress has been made in the development of a regional policy for valuing properties affected by contami-nation.

The Audit, Collection and Inspection Services Section of the Taxation and Property Records Division increased the level of cooperation and consultation with the federal government on sales tax collection practices.

The Budget Section reviewed budgetary policy and procedures in the Treasury Board Policy and Procedures Manual specifically Section 6 which is dedicated to budgets.

The Budget Section reviewed the design and structure of the Salary Detail Spreadsheets for its user-friendly capabilities.

The Investment Section evaluated the custodian accounting and reporting systems and as a result has hired a new manager.

The Investment Section implemented a system of monthly management reports, which include various statistics for evaluation and monitoring purposes, to assist in decision-making, planning and analysis.

Information Technology Security presentations were held for government directors, managers, administrative and IT staff to inform them about policies and documents approved by the Information Technology Security Council.

Key Result Area No. 2:

Maximize potential provincial revenues and investment returns

The department has also streamlined government information and accounting systems for the purpose of reducing operating and administrative costs to government.

In the fiscal year 1998/99, significant increases in revenues occurred as a result of extensive liaison with the federal departments of Finance and Revenue Canada through the Equalization, Income Tax Collection and Canada Health and Social Transfer agreements.

Key Result Area No. 3:

Place priority on human resources with a view to improving the health, well-being and overall effectiveness of the Provincial Treasury

The department continued its major commitment in fiscal year 1998/99 with the creation of a Manager of Human Resources position to carry on the role of human resource services to staff and management of Provincial Treasury.

The Employee Development Fund supported a number of initiatives in 1998/99. Provincial Treasury managers participated in a leadership profile feedback exercise which provided insight to managers on six key competencies considered essential for good management practice. As well, four employees were provided financial support and time away from their jobs to attend the "Women in Management Program" offered by the University of Prince Edward Island.

Key Result Area No. 4:

Improve the level of service to clients

During the year the Budget Section moved from a centralized budget transfer process to a decentralized process to further improve client service.

The Budget Section improved the budget process in the Oracle system to make it more user-friendly.

Debit card machines were installed in the Taxation and Property Records payment locations to provide clients with additional payment options.

Training manuals were prepared for municipal administrators to ensure a better understanding of the Taxation and Property Records Division's programs and services.

Computer Hosted Registry Indexing System (CHRIS) was released to the public which allows for electronic registration, indexing and searching of documents in the Charlottetown office.

The Geomatics Technologist position was assigned to work full-time on the civic addressing project as part of the larger 911 initiative. Standards and guidelines for civic addressing were established and a pilot area was successfully completed.

Key Result Area No. 5

Provide departments with the necessary corporate supports to meet their business objectives

The Budget Section provided departments with the necessary corporate support by providing the authority and knowledge to upload their budget information into the Oracle system through the General Ledger Desktop Integrator (GLDI), an interface that facilitates the budget upload task.

The Taxation and Property Records Division participated in a joint project with the Federal Government, the Province of Nova Scotia and the Province of New Brunswick to implement a province-wide Global Positioning System (GPS).

During the year the Policy and Evaluation Division staff assisted in the policy development and evaluation of the public/private partnerships process, sales tax exemption on clothing and footwear and a review and audit of the Provincial Pharmacy Services.

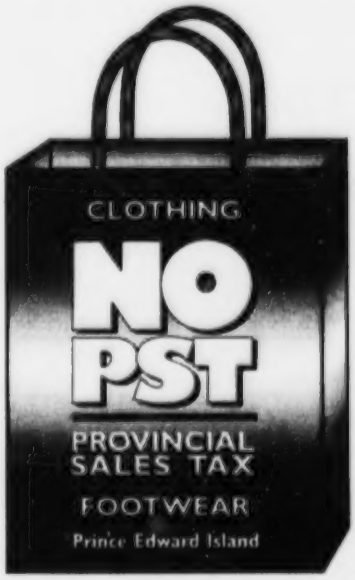
Staff of the Policy and Evaluation Division continued to promote evaluation within government departments and agencies through consultations, networking and a leadership role within the PEI Chapter of the Canadian Evaluation Society.

Key Result Area No. 6:

Effectively manage the transition of computerized information systems to the Year 2000

Several computer applications were made Year 2000 compliant; work continued on patching, upgrading, testing IT applications and infrastructure; and the Revenue/Environment Tax Replacement project RFP was awarded to permit the work to commence on implementing the Open Tax Powerbuilder/Oracle client/server solution.

The Provincial Deposit Receipt System functionality was reviewed and tested for daily, monthly, semi-annual and annual processes, to ensure the system is Year 2000 compliant.



Tour d'horizon du Ministère

Rôle et mission

Le ministère du Trésor de l'Île-du-Prince-Édouard contribue à la réalisation d'une gestion efficace des ressources humaines et financières du gouvernement. Sa mission s'accomplit par une démarche d'équipe - la collaboration et le partage d'information en vue d'atteindre les objectifs fixés par le Ministère.

Profil

Administration

Procure conseils et services en matière de gestion des ressources humaines au personnel, aux gestionnaires et aux directeurs des ministères et des organismes gouvernementaux. Les domaines pour lesquels les services sont offerts sont les services au personnel, le perfectionnement du personnel, le développement organisationnel, et la santé et la sécurité au travail.

Communications

Le mandat de la Division des communications est de renforcer la communication au sein du gouvernement en l'intégrant dans le processus décisionnel.

Économie, statistiques et relations fédérales-provinciales

Procure au gouvernement des conseils concernant la fiscalité, l'impôt, les statistiques et les politiques économiques liées aux questions fiscales fédérales, y compris les paiements de transfert, les questions d'imposition, les statistiques et l'analyse économique.

Gestion financière

Procure conseils de direction au sujet des dépenses gouvernementales et de la planification des recettes fiscales. Elle élabore le cadre des ressources financières, ainsi que les prévisions budgétaires des recettes et des dépenses. Elle a en outre la charge de la gestion de la dette et des relations financières avec le fédéral.

Bureau du contrôleur

S'occupe des systèmes de comptabilité ministérielle et dirige le contrôle financier et les politiques comptables et financières. La Division administre aussi les services de fourniture de biens pour les ministères et les agences et gère le système d'information sur la flotte de véhicules.

Politiques et évaluation

Procure conseils de direction concernant l'administration générale, en mettant l'accent sur la responsabilisation. Procure conseils de direction d'ordre administratif et agit à titre de secrétariat pour le Conseil de gestion.

Imposition et registre des biens

Administre la législation provinciale concernant l'imposition et fait en sorte que celle-ci soit appliquée avec équité et uniformité. Perçoit et contrôle les revenus principaux de la province provenant des impôts et des taxes. Élabore et met à jour les registres intégraux d'information relatifs aux propriétés foncières.

Autres responsabilités

Le Ministère a également la charge d'administrer les allocations budgétaires pour les crédits suivants :

- avantages sociaux du personnel
- ensemble du gouvernement
- Conseil des premiers ministres des Maritimes
- Secrétariat interministériel aux affaires féminines
- frais d'intérêt de la dette
- Agence de crédit de l'Î.-P.-É.

L'idée maîtresse derrière l'énoncé de mission du Ministère est de ***mener par l'exemple et de favoriser tout particulièrement l'efficacité et la justification des programmes dans l'ensemble du gouvernement.*** Pour atteindre ces objectifs, nous avons mis en oeuvre une méthodologie appelée « points stratégiques » ou, en anglais, « KRA » (*Key Result Areas*), ce qui signifie que les buts et objectifs spécifiques prévus pour l'année qui vient, ou pour une période plus longue, sont définis en début d'année. Chacune des divisions élabore ses propres points stratégiques et le plan stratégique d'ensemble permet d'en déterminer pour tout le Ministère.

Les points stratégiques fournissent un modèle de responsabilité administrative à l'aide duquel on peut mesurer les réalisations du Ministère. En outre, les points stratégiques permettent au personnel de comprendre sans ambiguïté les priorités et l'orientation du Ministère.

La présente section du rapport met en lumière quelques-unes des réalisations du Ministère émanant du plan stratégique de 1998-1999.

Point stratégique 1 :

Améliorer la gestion financière en vue d'accroître l'efficacité de l'ensemble du gouvernement

La coopération régionale entre les institutions d'évaluation foncière du Nouveau-Brunswick, de la Nouvelle-Écosse, de Terre-Neuve et de l'Île-du-Prince-Édouard s'est accrue et a permis un progrès important sur le plan de l'élaboration d'une politique régionale visant l'évaluation de lieux contaminés.

Les Services de vérification fiscale, de recouvrement et d'inspection de la Division de l'imposition et du registre des biens ont accru leur collaboration avec le gouvernement fédéral quant aux méthodes de recouvrement des impôts.

La Section des budgets a étudié le manuel des politiques et des méthodes budgétaires du Trésor de l'Î.-P.-É. et prévoit mettre à jour la section 6, qui porte sur les budgets.

La Section des budgets a aussi étudié la conception et la structure des tableurs utilisés pour le traitement des données salariales et prévoit les modifier pour les rendre plus conviviaux.

La Section des investissements a procédé à l'évaluation du système des comptes responsables et du système de production de rapports, ce qui a mené à l'embauche d'un nouveau gestionnaire.

La Section des investissements a de plus mis sur pied un système de production de rapports de gestion mensuels pour appuyer la prise de décision, la planification et l'analyse. Les rapports comportent aussi des statistiques à des fins d'évaluation et de contrôle.

Les directeurs et les gestionnaires, de même que le personnel affecté à l'administration et aux technologies de l'information ont assisté à diverses conférences visant à les informer à propos des politiques et des documents approuvés par le Conseil de sécurité des technologies de l'information.

Point stratégique 2 :

Maximiser le rendement des investissements tout en minimisant les coûts d'emprunt

Le Ministère a rationalisé ses méthodes comptables et son service d'information afin de réduire ses frais d'administration et d'exploitation.

Au cours de l'exercice financier 1998-1999, les revenus ont augmenté de façon considérable grâce aux ententes de péréquation et de recouvrement des impôts avec les ministères fédéraux des Finances et du Revenu et au Transfert canadien en matière de santé et de programmes sociaux.

Point stratégique 3 :

Donner la priorité aux ressources humaines dans le but d'améliorer la santé, le bien-être et l'efficacité de la fonction publique

Le ministère a poursuivi ses efforts pendant l'exercice financier de 1998-1999 en créant un poste de gestionnaire des ressources humaines, responsable de la prestation des services aux membres du personnel et de la direction du Trésor de l'Î.-P.-É.

Le Fonds de perfectionnement des employés a appuyé un certain nombres de projets au cours de l'exercice financier de 1998-1999. Les gestionnaires du Trésor de l'Î.-P.-É. ont pris part à un exercice de leadership leur permettant de prendre connaissance des six compétences essentielles à la bonne gestion. De plus, quatre employées ont obtenu un appui financier et un congé autorisé pour leur permettre de participer au *Women in Management Program* (Programme sur les femmes gestionnaires), offert par l'Université de l'Î.-P.-É.

Point stratégique 4 :

Améliorer la qualité du service à la clientèle

Au cours de l'année, la Section des budgets est passée d'un système d'allocation du budget centralisé à un système décentralisé en vue d'améliorer la qualité du service à la clientèle.

La Section des budgets a apporté des améliorations au système de budgétisation sur Oracle pour le rendre plus convivial.

La Section des investissements et la Division de la gestion fiscale ont élaboré un guide pour le comité consultatif sur les investissements de l'Î.-P.-É.

Les comptoirs de paiements de l'Imposition et du Registre des biens sont maintenant munis d'un terminal de point de vente, offrant ainsi à la clientèle une option de paiement de plus.

Des manuels de formation ont été créés pour les administrateurs municipaux afin qu'ils puissent mieux comprendre les programmes et services offerts par la Division de l'imposition et du registre des biens.

Le public a maintenant accès à un système de répertoriage assisté par ordinateur *(CHRIS)* qui permet les inscriptions par voie électronique, ainsi que le répertoriage et la recherche de documents au bureau de Charlottetown.

Le technicien en géomatique s'est consacré à plein temps au projet de repérage des adresses physiques dans le cadre du projet 911. Les normes et lignes directrices de l'attribution des adresses physiques ont été élaborées et le projet pilote a été un succès.

Point stratégique 5 :

Fournir le soutien administratif nécessaire aux ministères pour qu'ils puissent atteindre leurs objectifs

La Section des investissements a participé au financement de propriétés du centre-ville de Charlottetown avec les sociétés de la Couronne et la Société de développement de Charlottetown et des environs dans la poursuite d'objectifs de développement économique.

La Section des budgets a fourni le soutien administratif nécessaire aux ministères en offrant compétence et conseils en matière de téléchargement des données budgétaires sur Oracle à l'aide d'un logiciel intégré de grand livre général qui facilite le transfert de telles données.

La Division de l'imposition et du registre des biens a pris part à un projet conjoint avec le gouvernement fédéral et les provinces de la Nouvelle-Écosse et du Nouveau-Brunswick en vue de mettre sur pied un système de positionnement global (SPG) à l'échelle de la province.

Au cours de l'année, le personnel de la Division des politiques et des évaluations a participé à l'élaboration et à l'évaluation de politiques dans les domaines des partenariats entre les secteurs public et privé et de l'exemption de la taxe de vente sur les vêtements et les chaussures. La division a aussi procédé à l'étude et à l'évaluation des services de la pharmacie de la province.

Le personnel de la Division des politiques et des évaluations poursuit sont travail de promotion visant l'évaluation des ministères et des agences du gouvernement par la consultation et la constitution de réseaux et grâce à son rôle de premier plan au sein de la section de l'Î.-P.-É. de la Société canadienne de l'évaluation.

Point stratégique 6 :

Gérer efficacement la transition des systèmes informatisés en vue de l'an 2000

Plusieurs applications ont été modifiées pour être conformes à l'an 2000 et les travaux se poursuivent dans les domaines de la correction, de la mise à jour et de la mise à l'épreuve d'applications et d'infrastructure dans le domaine des T.I. En ce qui a trait au projet de remplacement du système informatique de gestion des impôts sur le revenu et des redevances environnementales, un appel d'offres a été lancé pour effectuer la mise en oeuvre du système client/serveur de taxe directe sur Powerbuilder/Oracle.

Le système provincial de certificats de placement a été étudié et testé sur une base quotidienne, hebdomadaire, mensuelle, semestrielle et annuelle pour s'assurer qu'il soit conforme à l'an 2000.

Provincial Treasury Financial Summary

	Unaudited Actual 1998/99 $	Budget Revised 1998/99 $	Budget Estimate 1998/99 $
Expenditure by Division*			
Administration	497,595	519,700	438,200
Fiscal Management	533,292	590,400	580,400
Policy and Evaluation	386,129	393,200	426,500
Taxation and Property Records	4,711,283	4,713,300	4,875,000
Office of the Comptroller	978,759	996,300	947,300
Communications	3,240,187	3,172,100	3,065,200
Economics, Statistics & Federal Fiscal Relations	261,651	280,200	302,100
Total Department	10,608,896	10,665,200	10,634,700
Other Budgetary Responsibilities**			
General Government	27,609,232	29,006,800	3,960,600
Interministerial Women's Secretariat	285,521	288,500	277,700
Council of Maritime Premiers	185,001	-	187,500
Interest Charges on Debt	101,374,915	-	102,191,000
Revenue*			
Federal Sources	331,491,877	-	269,624,000
Provincial Sources	400,919,657	-	392,133,500

* Detailed Budgetary information is included in Appendix A and B.
** Detailed Budgetary information is included in Appendix C.

Note: The 1998/99 Revised Budget is inclusive of the following:

- $30,500 transferred to the divisions from General Government Salary Negotiation account for the implementation of the Excluded Employees Agreement signed March 1999.
- $546,200 special warrant in General Government Salary Negotiations account for the implementation of the Collective Agreements across Government departments.
- $23,500,000 allocated for the establishment of a Special Funds Project.
- $1,000,000 special warrant grant to the City of Charlottetown.

Fiscal Management Division

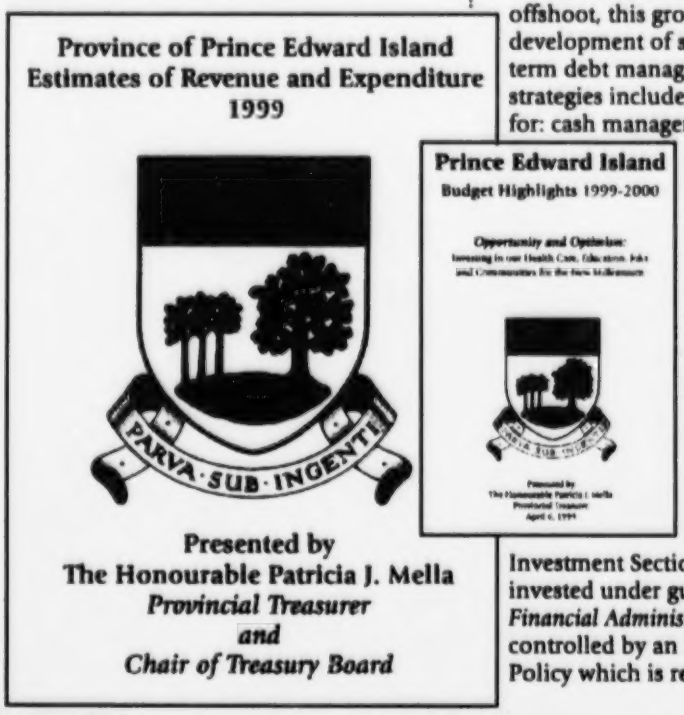
Role/Mission

The mandate of the Fiscal Management Division is to provide excellence in the management of the financial resources of Government. The division is also mandated to ensure that the public funds are properly budgeted and monitored. The mandate of the division requires that the return on Government's investments is maximized, and that their cash and debt managements costs are minimized within established risk tolerances.

Overview

Budget Management

The Budget Management Section is responsible for the preparation and coordination of the Provincial Budget, which assists Government in the overall financial plan for the Province.



The section also provides technical support and policy advice on various aspects of government fiscal planning. Under the direction of government, the section prepares the annual Estimates of Revenue and Expenditure; develops, implements and reviews budgetary systems and quarterly forecasts; manages the appropriation control system; and formulates and implements expenditure limitation and control policies as directed by Treasury Board and/or Executive Council.

The Budget Management Section analyses, assesses and monitors all financial, personnel, administrative proposals and issues for overall budgetary impacts.

Investments

Responsibility for the day-to-day banking for the Province rests with the Investments Section. As a natural offshoot, this group is involved with the development of short-, mid- and long-term debt management strategies. These strategies include making arrangements for: cash management, project financing, issuance of public debt and asset/liability management for crown corporation debt.

Attached to all semi-annual pay debentures of the Province is a provision for sinking fund payments for principal repayment. These sinking funds, which are set aside annually, are also managed by the Investment Section. These monies are invested under guidelines set out in the *Financial Administration Act* and are tightly controlled by an internal Sinking Fund Policy which is reviewed regularly.

The pension monies for the four funds are managed under an "umbrella trust" which is monitored and controlled by the Investment Section staff. Although the Investment Section does not directly invest the pension monies as it does for the Sinking Fund, it does act as the manager of external managers. This work includes setting up and monitoring investment guidelines and doing daily monitoring of the assets and money flows of the managers and the trust itself.

Report Highlights

Budget Activities

The Fiscal Management Division provided government departments with the necessary corporate support by providing departments with the authority and knowledge to upload their budgets in Oracle through the (GLDI) General Ledger Desktop Integrator, an interface that facilitates the budget upload task.

The division continues to be actively involved in the budget side in the development and implementation of the Government's financial information system, and has improved the budget process, and decentralized the budget transfer process in Oracle.

The division reviewed budgetary policy and procedures in the Treasury Board Policy and Procedures Manual and plans to revamp Section 6 which is dedicated to budgets.

The division reviewed the design and structure of the Salary Detail Spreadsheets.

Investment Activities

The Fiscal Management Division prepared a draft handbook for the PEI Investment Advisory Committee.

The division implemented a system of Monthly Management Reporting which included various statistics for evaluation and monitoring purposes to assist in decision making, planning and analysis to ensure the Investment Section can better plan for the future.

Economics, Statistics and Federal Fiscal Relations Division

Role/Mission

The Economics, Statistics and Federal Fiscal Relations Division provides advice on fiscal, tax, statistical economic policy and federal fiscal matters. These include major transfer payments, income tax issues, statistical reports and economic analysis for government. The division's role includes responsibility for providing advice and support services to the various Provincial Government departments with required key statistical information/data from our statistical database as provided by Statistics Canada. Data is also provided from other Provincial Government departments. The division provides liaison with the Federal Government and the provinces on federal-provincial fiscal arrangements.

Overview

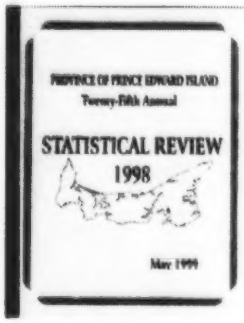
The division's three main areas of responsibility include:

Statistics

The first priority of the division was to emphasize the need to develop statistical functions and statistical support for the provincial government, which had been reduced in 1995 when the division was amalgamated into the Fiscal Management Division.

The division engaged a statistician and published the PEI Annual Statistical Review. The division maintains the function of statistical focal point for PEI, actively representing the Province of Prince Edward Island with Statistics Canada on statistical matters. The division disseminated statistical information to the public via the Government website, which can be found at ***www.gov.pe.ca/infopei/Statistics/index.php3***.

PEI Statistics was also prepared by the division and contained data revisions and estimates of population contained in the 1997 Annual Statistical Review, dated November 1998.



Provincial Economics

The division is also responsible for the preparation of economic outlooks, producing the PEI Economy 1998 Progress Report and periodic reports for public dissemination; e.g., Province of PEI Quarterly Report Second Quarter Update, a fiscal update plus a news release dated November 1998. The division engaged an economist in November 1998 to support this role. The provincial economic forecasting model was created.

Federal Fiscal Relations

The most prominent aspects of federal-provincial fiscal arrangements are Equalization, Canada Health and Social Transfer, Income Tax Collection Agreements, Reciprocal Taxation Agreement, Fiscal Stabilization and Statutory Subsidies. Revenue associated with these arrangements valued $490,795,139 in the year 1998-1999. Extensive liaison with Federal Finance and Revenue Canada is required.

Report Highlights

Significant events during the 1998-1999 fiscal year included the following:

Reorganization and Staffing

The division was created in May 1998 with a complement of five. This included two new positions: an Economist – Fiscal, and Economist – Statistics.

Improved Service

The division developed and is continuing to develop key information for senior government officials via the inter-departmental Intranet site. The division participated extensively in the Provincial Budget process.

Federal-Provincial Fiscal Issues/Transfers

The division continues to research and prepare various economic papers on fiscal needs of the province and develop position papers and discussion papers on the role of federal transfers. Responsibilities include Equalization and Canada Health and Social Transfer, policy issues, revenue forecasts, federal/provincial reviews, social union discussions, health services, reports for provincial budgets and monthly revenue monitoring.

Tax Policy Issues

The division is also responsible for Personal Income Tax (PIT), Corporate Income Tax (CIT), issues related to Harmonized Sales Tax, revenue forecasts for PIT and CIT, Tax on Income discussions, Tax Collection Agreements, Federal Tax Collection Agency, Provincial Tax Studies, Sales Tax exemptions, Income Tax choices and legislation and responses to proposed tax measures; e.g., Tax Credits.

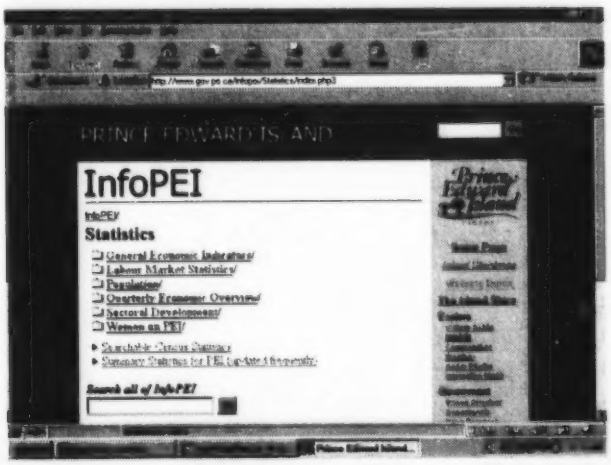
Statistical Activities

Issues include dissemination strategy for management and the Province, demographic forecasts, statistical publications and reports, representation at statistics meetings, maintenance of databases, report storage facility, responses to public and Government department requests and analysis of specific statistical concerns.

Training

Staff is encouraged to participate in training courses offered by Statistics Canada, for example, the System of National Accounts; video conference issues; and on-site consultations by various experts.

www.gov.pe.ca/infopei/Statistics/index.php3



National Economic Issues

Responsibilities include providing advice on the Federal Budget and federal fiscal position, Bank of Canada monetary policy, federal indebtedness, interest rates and Canadian dollar, national economic performance, and U.S. and other countries.

Canada Pension Plan

Responsibilities include advice to the minister and deputy on financial issues.

Federal Finance Meetings

Responsibilities include preparation of material and attendance at deputies' and ministerial discussions on transfer, tax policy and fiscal issues generally.

Economic Outlook

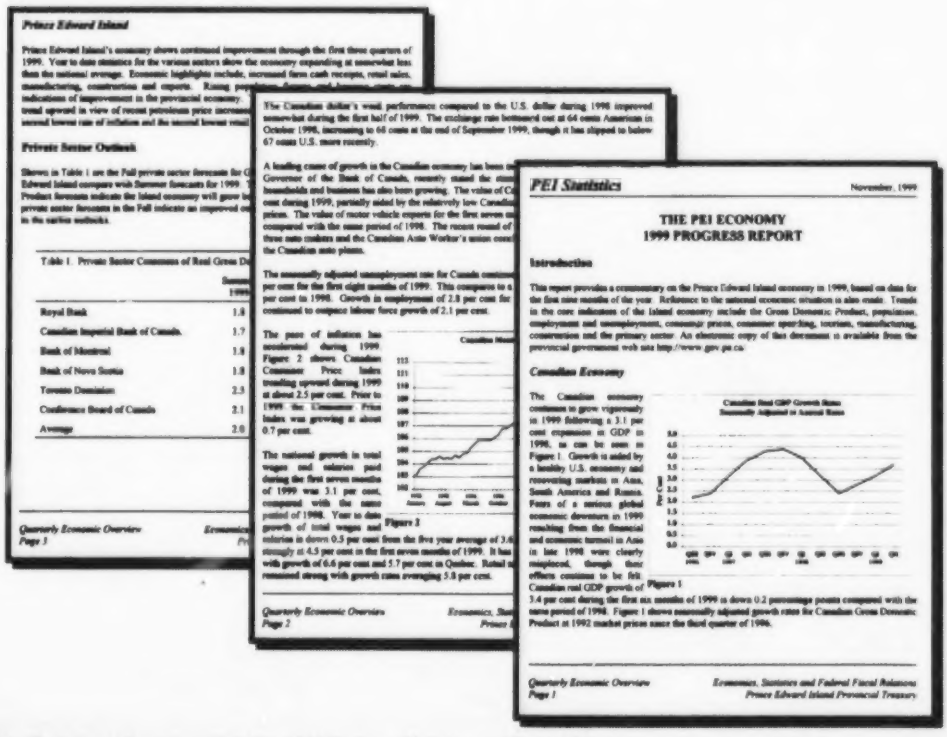
Responsibilities include preparation and publication of Economic Overview, tracking private sector forecasts and outlooks, input-output analysis, economic report for Provincial Budget and periodic reports for public dissemination, bond rating discussions and reports to Federal Finance.

Economic Development

Responsibilities include research on employment and labour market, policy analysis, and regional and community development issues.

Future Initiatives

The division will be developing strategies to improve data dissemination. This includes further research and development of demographic models, equalization and economic models for provincial and fiscal needs.



Policy and Evaluation Division

Role/Mission

The primary role of the Policy and Evaluation Division is to support the department in promoting a corporate approach in management and policy matters with an emphasis on improving accountability and by serving as a secretariat to Treasury Board.

As a result of reorganization, the Risk Management and Insurance Section was transferred to the Policy and Evaluation Division during the 1998/99 fiscal year. Risk Management and Insurance is responsible for developing, implementing and maintaining Government insurance and risk management programs with the objective to eliminate or minimize the potential for loss to Government, associated agencies, and the health and education sectors.

Overview

The majority of the division's activities are ongoing and include the following key areas:

- providing analytical, consultative and administrative services to Treasury Board;
- providing consultative services to departments and agencies on policy, operational and administrative matters;
- improving Government's administrative policies to ensure consistency and efficiency;
- supporting departments/agencies progress toward an improved accountability and reporting framework;
- promoting improved evaluation process within Government services;
- leading and/or participating in special projects and/initiatives identified by the department or Treasury Board; and
- developing, implementing and maintaining Government insurance and risk management programs.

Report Highlights

Treasury Board Secretariat

The Policy and Evaluation Division continues to provide analytical, consultative and administrative support to Treasury Board on an ongoing basis as well as undertaking special projects and/or initiatives on behalf of Treasury Board or the Department of the Provincial Treasury.

During the past fiscal year, staff have assisted in the policy development and evaluation of the Public/Private Partnerships process (e.g., RFP for Island Waste Management and Prince County Hospital), sales tax exemption on clothing and footwear and a review and audit of Provincial Pharmacy services.

Administrative Policy

The Policy and Evaluation Division is responsible for the research, development and maintenance of corporate administrative and operational policies and the distribution of these policies through the Treasury Board Policy and Procedure Manual. The majority of Treasury Board Policies and Procedures are available on Government's Intranet. Staff of the Policy and Evaluation Division continue to monitor and enhance services to users by drafting new corporate policies and revising existing policies.

Accountability

Amendments to the *Financial Administration Act* came into effect in October 1996 which included a provision requiring reporting entities to increase their focus of accountability in their annual reports. In April 1997, Executive Council, upon the recommendation of Treasury Board, approved a Government policy for an annual reporting framework. A three-year phase-in period has been provided with the understanding that all departments and reporting entities meet the intent of the policy as soon as possible. During the 1999/2000 fiscal year, a review and evaluation of the progress of Government departments, crown corporations and reporting entities in implementing the annual reporting framework will be undertaken by staff of the Policy and Evaluation Division.

Evaluation

Staff of the Policy and Evaluation Division continue to promote evaluation within Government departments and agencies through consultations, networking and a leadership role within the PEI Chapter of the Canadian Evaluation Society (CES). The PEI Chapter of CES has offered several workshops during the past year including a workshop on cost benefit analysis for decision-makers and how to develop performance indicators. These workshops have provided training opportunities for Government employees while promoting the use of policy and program evaluation within Government.

Risk Management and Insurance

The risk management inspection of the properties (700) owned by Government, hospitals and schools will be completed prior to March 31, 2000. The three-year initiative to inspect all school playgrounds is now complete. This has resulted in almost full compliance with the Canadian Standards Association recommendations for playground equipment which will reduce the severity and frequency of injuries on playgrounds.

A reporting system to electronically import, store and export engineering reports completed by the Insurers' Advisory Organization Inc. on all buildings covered by the Insurance Program has been implemented resulting in improved service to clients and a reduction of work and storage problems associated with large volumes of paper.

A new Windows-based Insurance and Risk Management Information System was developed in partnership with Information Systems Delivery with the assistance of three OJT students from Holland College. The reporting form for incident and claims is now online enabling clients to send reports electronically which speeds and improves service. RM&I has been proactive in addressing the Y2K issue and retained a consultant with SHL Systemhouse to complete a risk assessment on Y2K within public sector entities.

New initiatives for the next year include engineer inspections of our leased properties; inspection of Government vehicle and school bus fleets; conduct Workplace Hazardous Materials (WHIMS) audits; and Provincial Parks liability surveys. The inspection program of school playgrounds and insured buildings with values in excess of $1 million will continue.

Implementation of the recommendations made by our Risk Management Consultant who completed a risk management analysis of the errors and omissions exposures of school boards/districts will be completed by a committee comprised of representatives from the three school boards/districts, and the Province's Risk Manager.

The table below outlines a comparative analysis of claims and net cost of paid claims for fiscal years 1997/1998 and 1998/1999.

Claim	1997-1998	Net Cost	1998-1999	Net Cost
Property	45	$ 57,047	56	$160,902
Liability	111	175,006	69	157,614
Automobile	52	48,927	55	38,219
TOTAL	208	$280,980	180	$356,735

School playground inspection initiative

Taxation and Property Records Division

Role/Mission

The mandate of the Taxation and Property Records Division is to ensure fairness and equity in the application and collection of provincial tax revenues, and equity and uniformity in the production of provincial and municipal real property assessment rolls.

The division is also mandated to develop, implement and maintain land-related information systems in the area of Corporate Geomatics, Registry of Deeds and Toponymy (the study of place names).

The mandate of the division requires that services be coordinated and integrated with federal, provincial and municipal governments, and the private sector.

Overview

Administrative Services

This section consists of the Provincial Tax Commissioner, Administrative Assistant and Administrative Services staff, providing financial and personnel services for the division.

Audit, Collection and Inspection Services

This section is responsible for the performance of tax audits to determine the level of compliance with consumption tax acts and regulations, and for the collection of consumption taxes due to the Province, in the most effective and efficient manner, with a minimum of hardship to the taxpayer. The applicable acts and regulations are the *Revenue Tax Act, Revenue Administration Act, Health Tax Act, Environment Tax Act* and *Gasoline Tax Act* and related regulations.

Tax Administration and Client Services

This section is responsible for tax administration, processing of tax payments, dissemination of tax information, operation of the provincial land registry system, interpretation of all land related documents and the provision of property mapping for PEI.

Information Technology and Geomatics Services

This section will ensure that the necessary resources, technology and support is available for IT initiatives of the division including: maintenance and support of existing computer applications and systems; the scoping, planning, researching, development/ purchasing, implementation and support of new applications and systems; and the maintenance and support of the Local Area Network infrastructure environment. This section will also maintain the provincial Property Line Program and provide property-related geomatics products and services.

Property Assessment Services

This section's primary function is to value all real property, as defined by the *Real Property Assessment Act*, at the indicated market value on an annual basis. This value forms the basis for the collection of provincial and municipal property taxes. The four main programs administered by the section are the Reappraisal Program, the New Construction Program, the Referral and Appeal Program and the Appraisal Services Program.

Report Highlights

Improved Service Quality

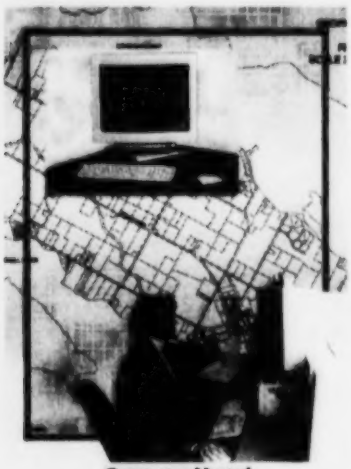
Debit card machines have been installed at the division's payment locations to provide clients with additional payment options.

Two staff members from the division's Summerside office have been transferred to Access PEI to assist in the "one-stop-shopping" concept.

Training manuals were prepared for municipal administrators to ensure a better understanding of the division's programs and services being offered.

Improved Access to Land Information

Computer Hosted Registry Indexing System (CHRIS) has been released to the public which allows for the electronic registration, indexing and searching of documents in the Charlottetown office.



Computer Hosted Registry Indexing System

Promotion of Division's Services and Technology

By participating in the Information Technology Fair, a segment of ASN's Breakfast TV, and a segment of Focus on Resources, CHRIS and GeoLinc (digital mapping) were showcased and exposed to the public.

Global Positioning System (GPS) Participation

PEI participated in a joint project with the Federal Government and the provinces of New Brunswick and Nova Scotia to implement a province-wide Global Positioning System. Work has been completed and the coordinate values for the new positions were put in place in 1998/99.

Maintenance has resumed on the Province's Survey Control System of which more than 380 control monuments were inspected this year. Of these, about 100 were found destroyed and a re-monumentation program is currently being assessed. PEI continues to cooperate with our neighbouring provinces in other survey control matters and the province is currently considering proposals to publish NAD83 coordinates on all remaining survey control monuments. The province is also considering a national GPS-C proposal which will provide metre level corrections for GPS users Island-wide.

Property Assessment Data Capture (ADC)

The data collection module is in production by transferring property assessment information into a computer collection module. The work is approximately 50 percent completed.

Property Assessment Analyst Position

This position has been created, filled on a temporary basis and has proven to be very beneficial to the division when completing analysis on property assessments.

Regional Cooperation
Cooperation between assessment jurisdictions in NB, NS, Nfld and PEI has expanded and significant progress has been made toward the development of a regional policy for valuing properties affected by contamination.

Increased Property Assessment Base
The assessment base for property tax purposes increased by $183 million or 4.2 percent.

Increasing Audit Concentration
Audit concentration was increased in 1998/99 through the staffing of vacant permanent auditor positions. Workplans were completed on a province-wide basis for the year, and more emphasis and resources were devoted to the special audit program, resulting in more assessments and larger recovery of revenue tax from individuals on out-of-province purchases.

Increased Consultation With the Federal Government
Co-operation and conferencing with the Federal Government on collection practices and specific cases was increased during the year. Collection and inspection staff also participated in multi-jurisdictional checkpoints as an educational exercise to remind residents of their tax obligations with respect to out-of-province purchases.

New Revenue/Environment Tax System
Division staff continued to participate extensively in scoping out the functionality required in the new revenue/environment tax system.

Reorganization and Staffing
Two vacant IT positions were successfully staffed; approval was granted for one permanent Technical Support Specialist position, and two temporary IT positions – a LAN Administrator and a Y2K Desktop Applications Specialist.

Year 2000 (Y2K)
Several applications were made compliant, work continued on patching, upgrading and testing IT applications and infrastructure, and the Revenue/Environment Tax replacement project RFP was awarded and work commenced on implementing the OpenTax Powerbuilder/Oracle client/server solution.

Civic Addressing
The Geomatics Technologist position was assigned to work full-time on civic addressing as part of the larger 911 initiative. Standards and guidelines for civic addressing were established and a pilot area was completed. An equipment/software infrastructure was also established.

PEI Civic Address Sign

IT Security
Information Technology Security presentations were held for directors, managers, supervisors, administration and IT staff to inform them about policies and documents approved by the IT Security Council.

Comparison of Division Activity Over the Three-year Period – 1996-1999

	1996-97	1997-98	1998-99
Tax payments received in offices	226,049	224,336	235,811
Tax refunds and adjustments processed	11,454	13,264	13,668
Documents registered and interpreted (Registry of Deeds office)	16,440	16,287	16,384
New parcels (property) created	1,345	2,994	1,149
Subdivision plans filed	712	770	701
Registered revenue tax vendors	8,500	7,500	8,500
Registered tax exempt permit holders (farmers and fishermen)	3,857	3,228	3,514
Properties assessed	87,785	88,731	89,775
Property assessment referrals (first-level appeal)	509	385	253
Appeals to IRAC (property assessment related)	7	11	7
Provincial market value assessment	$5.36 billion	$5.59 billion	$5.81 billion
Market value of exemptions	$644 million	$652 million	$663 million
New construction reviews (property assessed value)	$117 million	$107 million	$116 million
Regular audit assessments	$3.6 million	$2.2 million	$1.9 million
Audit cycle	4 years	4 years	4 years

Office of the Comptroller

Role/Mission

The Division of Office of the Comptroller, maintains the provincial government's corporate accounting system, is responsible for directing financial control, administers accounting, financial policies and provides financial advice. It also administers corporate procurement services of goods for departments and agencies and manages the Vehicle Fleet Information System. It is responsible for maintaining financial control over the receipts and disbursements of Government, and for the provision of financial information to departments and agencies. It maintains the Province's financial records and produces the Public Accounts of the Province for annual presentation by the Provincial Treasurer to the Legislature and general public. It provides various administrative functions relating to Income Tax, Reciprocal Tax Agreement, Accounts Payable/Cheque Issuance, federal/provincial claims, as well as providing support and advice in matters relating to financial management and policy in areas of P3 Projects and corporate leasing. During the past year Procurement Services was added to the division, whose responsibilities include the timely and economical procurement of goods for departments and agencies, and the administration and management of the Corporate Vehicle Fleet Information System.

Overview

Accounting

This section is responsible for the maintenance of the Province's financial accounts, the operation of the Province's accounting system, preparation of financial statements and the Public Accounts. It is also responsible for the administration of the *Provincial Deposit Receipts Act.*

Accounts Payable and File Maintenance

This section is responsible for the timely and accurate processing of government payments through a decentralized payment system and the file maintenance of all supporting, financial documentation.

Claims and Audit

This section is responsible for preparation and audit of federal/provincial claims, auditing and monitoring of financial transactions being submitted for processing in the Province's financial information system.

Procurement Services

This section is responsible for coordinating procurement of goods and providing advice and assistance to departments and agencies relating to corporate tendering and request for proposals matters, as well as the administration and management of the Corporate Vehicle Fleet Information System.

Report Highlights

The Province's Public Accounts are now scheduled for release in the fall following year-end, in contrast to the spring sitting of the Legislature, therefore work schedules have been accelerated to meet this earlier issue date. Time was spent on changing the presentation to make the statements easier to follow and read. New statements have been added including a Statement of Capital Assets which will be enhanced upon, in next year's edition.

The Financial Information System continues to have upgraded features which allow for more efficient processing and to be a source of important information for departmental users and central staff. To ensure peak efficiencies, annual upgrades to the system are anticipated. During the year, the number of users has increased and activity reports indicate that the number of concurrent users is increasing.

The Provincial Deposit Receipt system functionality was reviewed and tested for daily, monthly, semi-annual and annual processes, to ensure the system is Year 2000 compliant.

The Claims and Internal Audit office was involved in the preparation and/or audit of claims on a number of federal/ provincial agreements. The claims process resulted in securing several million dollars of federal revenue.

A number of examinations, reviews and audits were carried out in a limited number of areas. This helps promote the development and maintenance of our accounting system through providing comments on internal control to enhance the prevention and detection of accounting error and omissions.

During the year MERX, a national Internet-based electronic tendering service, was fully implemented, to openly advertise tender opportunities for goods, services and construction. The national call centre for MERX was established in PEI, and now in excess of 270 PEI businesses obtain tender opportunities through this service.

MERX

Quality initiatives included ongoing client surveys to measure the Procurement Section's services and performance, and the publication of checklists for the tender and RFP processes. A Pocket Procurement Guide is in development.

The section coordinated local Service Management training for deputy heads, department management and other PEI public sector procurement officials on a variety of procurement related topics.

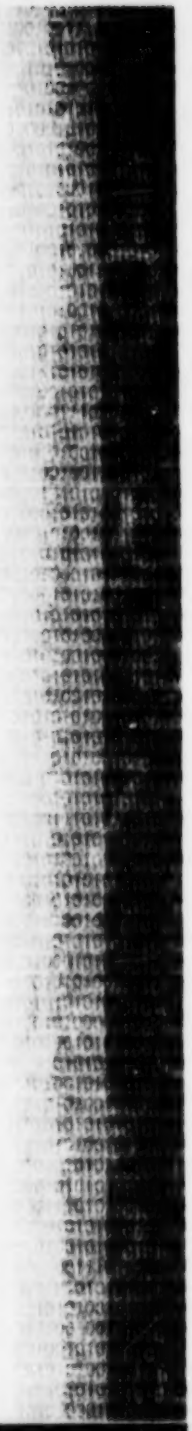
Procurement Services assisted departments in the issuing and administration of several requests for proposals, including major RFPs in health and environment.

A new Fleet Information System was selected to replace the current system which will not be supported beyond December 1999. The new system will house government's corporate fleet information with the heavy equipment fleet used for highway maintenance in the one system.

The section monitored government's compliance with the *Public Purchasing Act* and the interprovincial trade agreements, and was required to provide guidance in a number of instances.

Procurement Services assisted PEI municipalities, academic institutions, school boards and health organizations by coordinating joint procurements and training, and by supporting their use of the MERX service.

A supplier was selected to supply a PEI government purchasing card. Other priorities related to Year 2000 planning deferred the program's implementation into 1999/2000.



1998-1999 Operating Statistics
For the period ended March 31, 1999

	Number	Amount
Government entities included in Consolidated Financial Statements	33	N/A
Financial system users supported	190	N/A
Help desk calls received	2,860	N/A
System vendors updated	5236	N/A
Vendor sites updated	11,862	N/A
Invoices processed	127,729	$ 731,840,967
Batches processed	13,178	N/A
Cheques issued – total	63,860	$ 686,072,916
Miscellaneous cash transactions	12,417	$ 887,544,224
Manual journals processed	1,633	$1,014,754,812
Encumbrance journals processed	41	$ 2,141,969
Program and project numbers added	843	N/A
PDR receipts cashed	2,995	$ 18,328,321
Tenders and Request for Proposals issued	267	$ 7,514,851
Purchase orders issued	5125	$ 13,202,212
Bid packages distributed	4717	N/A
Corporate fleet vehicles	235	N/A

Communications Division

Role/Mission

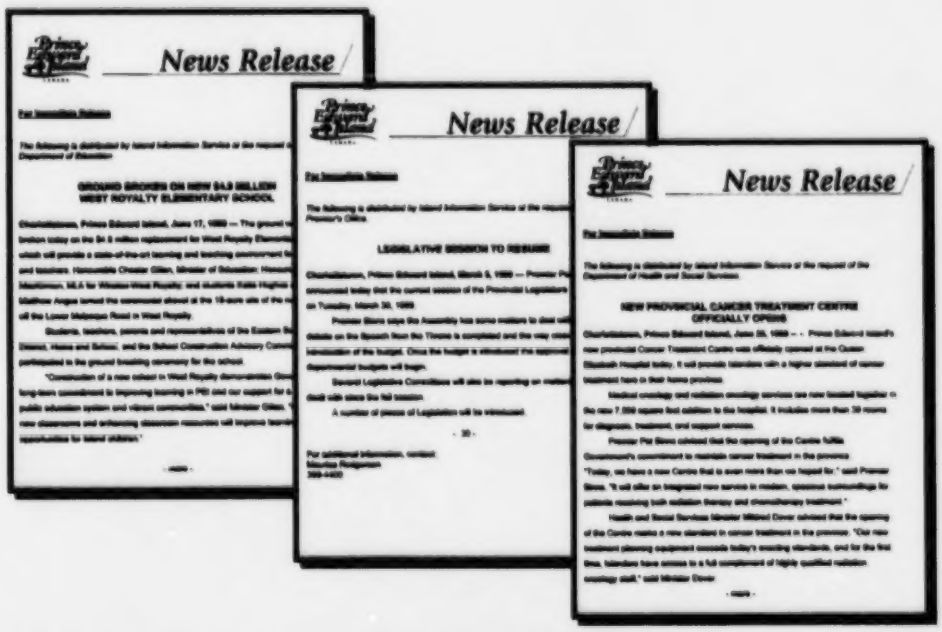
The mission of the restructured Communications Division is to strengthen Government's business messaging by integrating communications into decision-making throughout Government and better coordinating departmental and interdepartmental communications activities; and provide departments with a range of communication services that are fully integrated, complementary to each other and driven by continuous improvement and customer service.

Overview

The creation of the Communications Division within the Department of Provincial Treasury consolidated communication services that were previously delivered separately by Provincial Treasury, the Department of Development and the Department of Agriculture and Forestry.

The management/supervisory structure for the division was redesigned to provide for more supervisory authority. To strengthen communications planning between departments, communication officers' positions were aligned with Provincial Treasury and continue to be housed in front-line departments to maximize service delivery.

As a result of a renewed emphasis on customer service, combined with the goal to provide greater communication supports to Executive Council, the Premier's Office, deputy ministers and communication officers, the following four strategic activity streams were identified for the reconfigured division.



Queen's Printer and Document Publishing Centre

The Queen's Printer and Document Publishing Centre provides departments with a range of in-house photocopying, offset press printing, bindery, postal and courier services.

Key Accomplishments – 1998-99

- Reorganized and streamlined the management/supervisory structure.
- Fulfilled 5,415 customers' requests for photocopying and printing services and generated 22 million photocopied and printed impressions.
- Negotiated a new leasing agreement resulting in: the introduction of new analogue, digital and colour Xerox photocopy technology; productivity increases; and extension of the range of document publishing services.
- Processed 984,700 pieces of mail.
- Renovated the Postal Services work area with the input of staff.
- Established new addressing standards to achieve compliance with new Canada Post regulations and thereby reducing Governments' mailing costs.
- Acquired new shrink wrap technology and initiated more deliveries of completed copy/print jobs to customers, in response to departments' needs.
- Completed Performance Development Planning training for management and supervisory staff.

DocuTech 135 Digital Copier

Postal Services

Multimedia Services

Multimedia services provides a range of support services to departments including: consulting expertise for multimedia technology acquisitions and installations; video and radio production and editing; Island Focus, Government's Cable-TV community outreach program; photography; audio-visual loan and repair; technical support for news conferences/special events; data entry; and Intranet.

Key Accomplishments – 1998-99

- Reorganized and streamlined the management/supervisory structure.
- Served as a multimedia consultant to school boards, the Legislative Assembly and the new Court House.
- Repaired 587 pieces of audio-visual equipment for school boards, Hillsborough Hospital, crown corporations and agencies, the Legislature, Provincial and Supreme courts, correctional institutes and Highway Safety Branch.
- Loaned 2,080 pieces of multimedia equipment, including projectors, overheads, VCRs/monitors, tape and VHS recording equipment, presentation hardware, etc.
- Provided multimedia support for 50 news conferences/special events.
- Consolidated two separate video production units into one combined, mutually supportive unit.
- Completed the first ever, detailed annual production plan for Island Focus in response to departments' strategic communication requirements.
- Community cable TV program nominated for a second year in a row (1998, 1999) for best community cable program at the Yorkton Short Film and Video Festival.
- Collaborated with departments to complete a variety of video and radio projects.
- Completed phase one of the video graphics hardware/software upgrade.
- Provided Data Entry support for Provincial Pharmacy, Dental Services, school boards, Taxation and Property Records Division and cheque management support for Health and Social Services.
- Completed Performance Development Planning training for management and supervisory staff.

Equipment Maintenance and Repair

Avid Video Editing Suite

Strategic Marketing and Design Services

Strategic Marketing and Design Services provides a range of supports to departments including: communications; marketing planning; advertising design and placement; graphic and document design and layout; news conference planning; text editing; promotional products; trade booth displays; corporate identity; information-news release distribution through Island Information Service (IIS).

Key Accomplishments – 1998-99

- Reorganized the management/ supervisory structure.
- Consolidated two separate design functions into one.
- Upgraded hardware and software for design staff.
- Contributed strategic marketing and design services to a number of corporate-wide projects including: Throne Speech and Budget, Knowledge Economy Partnership, 911, Team Atlantic Trade Mission, Labour Market Development Agreement, Tourism Marketing Plan, Excellence in Education newspaper insert, Seniors Expo and IT Week displays, Liquor Commission corporate identity program, IT Week in PEI, Smart Province Marketing Logo, Community Access Point announcements, Y2K corporate communications, Government advertising, Seasonal Hiring brochure, updated Employee Telecommunications Directory, etc.

Policy Communications

The Policy Communications section was created to serve as communications service to support departments with strategic communications planning and issues management.

Key Accomplishments – 1998-99

- Obtained Treasury Board approval to create a Manager, Policy Communications position to provide issues management and policy communications supports to departments.
- Established regular, bi-weekly meetings of division managers to track issues and services to departments.
- Created the Issues Management Council (IMC) to bring together communication officers on a bi-weekly basis, and to enhance communications planning and the sharing of information between communication officers and departments.
- Established three IMC working groups focusing on: Advertising, Communications and Media Relations Policies; Corporate Newsletter and Division Brochure; and Issues Management.
- Created a calendar of events to allow departments to plan together and avoid timing conflicts for announcements/special events.
- Improved the flow of public information to ensure announcements are shared first with the Premier's Office, ministers, Caucus, deputy ministers and communication officers, prior to public release.
- Introduced quality control checks to review all news releases on behalf of the Premier's Office.
- Issued 383 news releases in collaboration with departments – or 1.38 news releases per business day.

News Releases Issued by Department

Agriculture and Forestry	62
Community Services and Attorney General	22
Development/Enterprise PEI	39
Education	41
Fisheries and Tourism	37
Health and Social Services	46
Provincial Treasury	29
Technology and Environment	47
Transportation and Public Works	10
Premier's Office	50

Strategic Communications Initiatives for 1999-2000

Strategic initiatives for the Communications Division for 1999-2000 include, but are not limited to:

- Performance Development Planning for all staff to clarify roles and enhance accountability.
- Restructuring the division's financial accounting system.
- Expanding the networking for the Xerox DocuTech system to allow for greater transfer of electronic files from clients to the copier system.
- Providing consulting services to clients for the rental/purchase of convenience copiers through the tendering system.
- Acquiring a print shop management system to better track jobs and accounts.
- Upgrading postal equipment accounting system.
- Renewing the lease for the Avid video editing system.
- Launching a revised, system-wide newsletter for external audiences and a new customer brochure promoting the division's services.
- Updating targeted databases for direct marketing applications.
- Designing a standard collection of preprinted 'shell' documents, to establish an individual identity for departments/divisions within Government's existing, overall corporate identity.
- Converting from camera-ready artwork to electronic delivery of Government ads to media outlets.
- Producing and printing a new corporate kit folder.

Provincial Treasury Employee Days

Appendices

Prince Edward Island Provincial Treasury

Annual Report

1998-1999

Appendix A

Department of the Provincial Treasury
Expenditure by Division

	Unaudited Actual 98/99 $	Budget Revised 98/99 $	Budget Estimate 98/99 $
Administration			
Administration	19,891	19,700	18,700
Equipment	12,569	5,000	5,000
Materials and Supplies	3,187	3,600	3,600
Professional and Contract Services	15,737	17,700	800
Salaries	396,168	417,000	358,400
Travel and Training	50,043	56,700	51,700
	497,595	519,700	438,200
Fiscal Management			
Administration	17,366	13,600	13,600
Equipment	19,258	6,000	6,000
Materials and Supplies	3,703	4,000	4,000
Professional and Contract Services	9,875	8,000	4,000
Salaries	460,934	538,200	532,200
Travel and Training	22,156	20,600	20,600
	533,292	590,400	580,400
Policy and Evaluation			
Administration	9,130	10,100	9,300
Equipment	11,031	10,400	5,200
Materials and Supplies	1,433	2,900	3,200
Professional and Contract Services	43,500	43,800	43,800
Salaries	306,600	309,700	348,500
Travel and Training	14,435	16,300	16,500
	386,129	393,200	426,500
Taxation and Property			
Administration	183,015	170,500	170,500
Debt	700,000	700,000	865,900
Equipment	227,002	50,400	50,400
Materials and Supplies	145,779	125,000	125,000
Professional and Contract Services	221,398	280,000	280,000
Salaries	3,049,339	3,181,200	3,177,000
Travel and Training	184,750	206,200	206,200
	4,711,283	4,713,300	4,875,000

	Unaudited Actual 98/99 $	Budget Revised 98/99 $	Budget Estimate 98/99 $
Office of the Comptroller			
Administration	38,711	39,600	38,200
Equipment	18,470	12,500	11,800
Materials and Supplies	8,323	8,600	9,200
Professional and Contract Services	1,100	24,000	4,000
Salaries	894,426	892,100	868,200
Travel and Training	17,729	19,500	15,900
	978,759	996,300	947,300
Communications			
Administration	907,128	958,100	896,200
Equipment	92,158	63,700	13,500
Materials, Supplies and Services	637,143	519,500	538,700
Professional and Contract Services	56,175	60,800	62,300
Salaries	1,514,993	1,528,700	1,528,200
Travel and Training	32,590	41,300	26,300
	3,240,187	3,172,100	3,065,200
Economics, Statistics and Federal Fiscal Relations			
Administration	4,787	8,900	8,000
Equipment	18,066	18,300	3,000
Materials, Supplies and Services	2,057	3,200	2,000
Professional and Contract Services	5,105	5,000	3,000
Salaries	200,145	204,900	250,200
Travel and Training	31,491	39,900	35,900
	261,651	280,200	302,100
Total Department	**10,608,896**	**10,665,200**	**10,634,700**

* The 1998/99 Revised Divisional Budget includes $30,500 transferred from General Government Salary Negotiation account for implementation of the Excluded Employees Agreement as well as the transfer of dollars between divisions.

Appendix B

Department of the Provincial Treasury
Revenue

	Unaudited Actual 1998/1999 $	Budget Estimate 1998/1999 $
Federal		
Equalization	268,495,000	209,000,000
Canada Health and Social Transfer	62,101,000	59,950,000
Statutory Subsidy	674,458	674,000
Established Program Financing	221,419	0
Total Federal Revenue	331,491,877	269,624,000
Provincial		
Lottery Tickets	11,142,529	11,575,000
Health Tax on Liquor	9,442,469	9,453,600
Health Tax on Tobacco	14,182,891	13,975,000
Real Property Tax	41,080,113	40,200,000
Revenue Tax (Sales Tax)	133,313,320	126,000,000
Gas Tax	31,445,938	30,100,000
Income Tax – Personal	129,746,502	130,602,000
Income Tax – Corporate	26,561,787	25,329,900
Corporation Capital Tax	1,557,510	1,650,000
Environmental Tax	235,163	200,000
Fixed Link Tax Agreement	72,630	1,255,000
Land Title and Registration Fees	1,653,188	1,423,000
Fees and Services	191,950	186,700
Sales and Miscellaneous	196,250	183,300
Cheques Written Off	97,417	0
Total Provincial Revenue	400,919.657	392,133,500
Total Departmental Revenue	732,411,534	661,757,500

Appendix C

Department of the Provincial Treasury
Other Expenditure Budgetary Responsibilities

General Government

	Unaudited Actual 1998/99 $	Budget Revised 1998/99 $	Budget Estimate 1998/99 $
Miscellaneous General	376,588	323,800	249,800
Miscellaneous Grants	2,000,562	1,889,700	1,889,700
Government Insurance Program	732,082	732,100	806,100
CUSA Contingency (Municipal Grant)	1,000,000	1,000,000	0
Provision for Federal Provincial Arrangements	0	240,000	240,000
Salary Negotiations	0	1,321,200	775,000
Special Project Fund	23,500,000	23,500,000	0
Total General Government	27,609,232	29,006,800	3,960,600

Explanation Notes:

- **Miscellaneous General** provides funding for the Premier and Ministers' out-of-province travel, cabinet meetings and other protocol-related expenses.
- **Miscellaneous Grants** includes grants-in-lieu of property tax, grants for race track programs and other miscellaneous grants.
- **Government Insurance Program** provides insurance coverage to all government departments and many crown corporations, agencies and commissions.
- **CUSA Contingency** of $1,000,000 is a special warrant issued to cover a grant to the City of Charlottetown for the following:
  - grant in lieu of property tax for the Queen Elizabeth Hospital
  - maintenance of core city streets and an adjustment to the total number of kilometres maintained by the city.
- Provision for federal/provincial arrangements provides for Provincial Government funding of federal/provincial arrangements for which negotiations were incomplete at budget time.
- **Salary Negotiations:** a special warrant issued for the implementation of the April 1, 1998 Collective Agreement
- **Special Project Fund:** a special warrant for the establishment of a Special Project Fund allocated as follows:
  - Health Care Stabilization Fund 10,000,000
  - Development Fund 6,500,000
  - Health Research Fund 2,000,000
  - Waterway Protection Support Fund 2,000,000
  - Community Development Fund 2,000,000
  - Teacher Technology Training Fund 1,000,000

Other Expenditure Budgetary Responsibilities

Council of Maritime Premiers

	Unaudited Actual 98/99 $	Budget Estimate 98/99 $
Maritime Provinces Education Foundation	16,292	16,200
Council Secretariat	81,832	80,500
Maritime Municipal Training and Development Board	14,214	24,600
Maritime Provinces Higher Education Commission	60,238	50,800
Geomatics Board	12,425	15,400
Total Council of Maritime Premiers	**185,001**	**187,500**

Explanation Notes:
The Council of Maritime Premiers is funded by the three Maritime Provinces. Contributions are based on population and upon the recommendation of the Regional Treasury Board. Prince Edward Island's share of funding is 7.4 percent with New Brunswick's and Nova Scotia's contribution being 41.3 percent and 51.3 percent respectively.

Other Expenditure Budgetary Responsibilities

Interministerial Women's Secretariat

	Unaudited Actual 1998/99 $	Budget Revised 1998/99 $	Budget Estimate 1998/99 $
Administration	501	1,000	1,000
Equipment	2,936	0	0
Materials, Supplies and Services	918	500	500
Professional and Contract Services	14,410	17,000	11,000
Salaries	102,868	106,800	105,300
Travel and Training	8,488	7,800	4,500
Grants:			
Family Violence	50,000	50,000	50,000
Advisory Council on the Status of Women	100,000	100,000	100,000
Women's Network	5,400	5,400	5,400
Total Women's Secretariat	**285,521**	**288,500**	**277,700**

*The 1998/1999 revised budget includes a special warrant of $9,300 — $6,000 required for assistance to the Advisory Council on the Status of Women and $3,300 for additional travel commitments. $1,500 was transferred from the General Government Salary Negotiations Account for the implementation of the Excluded Agreement.

Notes:
The Interministerial Women's Secretariat advises the Minister Responsible for the Status of Women, coordinates policy analysis of issues affecting women on interdepartmental and federal/provincial levels, and facilitates equity and diversity initiatives to promote the social, economic, legal and health status of women. The secretariat administers a grants program to support the work of the Advisory Council on the Status of Women, the Premiers Action Committee on Family Violence Prevention and modest assistance to projects and events related to the status of women.

Other Expenditure Budgetary Responsibilities

Interest Charges on Debt

	Unaudited Actual 98/99 $	Budget Estimate 98/99 $
Interest		
Interest - Debentures	77,719,598	78,769,000
Interest - Canada Pension Debentures	16,450,286	16,662,000
Interest - Treasury Notes	2,647,309	950,000
Interest - Deposit Receipts	3,407,601	4,758,000
Interest - Federal Loans	403,196	403,000
Interest - Other	135,580	0
Financial Activity Fee	11,135	0
Interest - Bank Overdraft Interest	70,530	120,000
Total Interest	**100,845,235**	**101,662,000**
Amortization of Debenture Discount	529,680	529,000
Total Interest Charges on Debt	**101,374,915**	**102,191,000**

Notes:

Interest: Appropriations provided for the funding of interest cost associated with monies borrowed by way of issuance of Provincial Debentures, Provincial Deposit Receipts, Treasury Notes, as well as borrowing through the use of bank lines of credit and loans from the Federal Government and the Canada Pension Plan.

Amortization of Debenture Discount: Annual provision required in order to write-up over the term of the debenture the cost associated with debenture issues at a discount.